

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

July 25, 1998

Meeting the Challenge of Global Climate Change

Increasing Energy Efficiency & Reducing
Energy Use in Federal Buildings

July 25, 1998

In his radio address to the nation, President Clinton today cited new evidence of record-breaking heat, and called on Congress to take responsible action to meet the challenge of climate change by funding common sense energy efficiency and renewable energy programs that will allow us to continue to grow the economy while protecting the environment.

The President also took further action by announcing four new steps to decrease energy use in Federal buildings and facilities, thereby reducing greenhouse gas emissions and saving taxpayer dollars.

- Directing Cabinet agencies to work more closely with private contractors to retrofit Federal buildings and other facilities with the best energy saving technology, saving as much as \$700 million in energy costs per year and reducing as much as 2 million metric tons of carbon annually, at little or no cost to taxpayers;

- Replacing 300,000 lightbulbs with energy efficient fluorescents over the next three years, saving taxpayers \$13.5 million in energy costs and reducing as much as 40,000 metric tons of carbon emissions"

- Directing agencies to bring existing Federal buildings up to the EPA ENERGY STAR efficiency standard, and;

- Announcing that the Department of Defense and six other Federal agencies will adopt "sustainable design" guidelines for construction of new Federal buildings.

If fully carried out, these energy-saving, cost-cutting efforts can save taxpayers as much as \$1 billion per year and reduce over 3 million metric tons of carbon annually for the next 15 years.

President Clinton's Four Steps to Improve the Energy-Efficiency of Federal Buildings

The Federal government is the nation's largest energy consumer with an annual energy bill of \$8 billion. Significantly reducing Federal energy expenditures saves taxpayer dollars, cuts emissions that contribute to global warming, and helps create markets for energy efficient and renewable technologies. Today, President Clinton announced four new steps to have the Federal agencies lead in energy efficiency.

1. Expand Use of Energy Savings Performance Contracts

Energy Savings Performance Contracts (ESPCs) leverage private sector investment and expertise to accomplish energy and cost saving projects in Federal facilities at little or no cost to taxpayers. Under ESPC authority, Federal agencies hire contractors to audit facilities, propose energy saving retrofits, and privately finance, install and maintain retrofits. Contractors are paid from a share of the savings; remaining savings return to taxpayers and the agency.

The President directed all Cabinet agencies to expand the use of ESPCs, and to step up efforts to reduce Federal energy use to 30% below 1985 levels by 2005. ESPCs can save as much as \$700 million per year, and cut over 2 million metric tons of carbon emissions. The President will seek Congressional approval to renew and expand ESPC authority beyond the year 2000.

The Department of energy today announced \$1.5 billion in new ESPC contract authority, bringing to \$5 billion the total amount of ESPC authority currently available.

2. Federal Lighting Purchasing and Retrofit Campaign

Today, the President launched an effort to purchase and install an additional 100,000 compact fluorescent bulbs for each of the next three years, which will generate electricity cost savings of \$13.5 million, and cut about 40,000 metric tons of carbon emissions over the life of the bulbs. Also, ESPCs can be used to save an additional \$10 million dollars a year for three years in energy costs by upgrading old-style institutional lighting fixtures. This will prevent up to 600,000 metric tons of carbon emissions over the life of the fixtures.

3. Federal ENERGY STAR Buildings

The ENERGY STAR Building Label is offered to the top 25% of energy efficient buildings. Today, the President directed all agencies to take the steps needed to bring existing Federal buildings up to ENERGY STAR standards, including through use of ESPCs, utility programs and other agency funded efforts. Increasing energy efficiency will save money in energy bills and reduce the emissions that contribute to global warming.

4. Sustainable Design in New Federal Buildings

The Department of Defense and six other Federal agencies will adopt “sustainable design” in all new buildings. The Defense Department, for example, has committed to build facilities that use as much as 50% less energy than similar buildings. “Sustainable design” includes: using the most efficient practices, products, and services; utilizing recycled materials; and siting buildings near public transportation. This magnitude of reduction in a typical medium-sized office building would save \$70,000 a year and reduce emissions by over 90 metric ton of carbon per year.